

Omega Superfund Site Whittier, California



U.S. Environmental Protection Agency Region 9

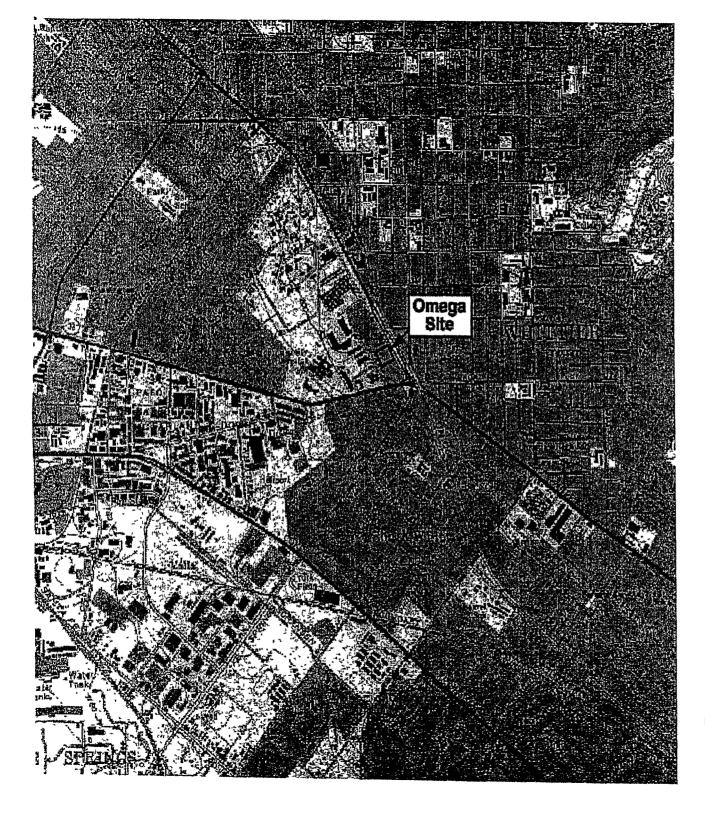
February 12, 2004

Agenda

- Site background / history
- PRP identification
- Legal issues
- Settlement offer and next steps
- Questions / answers

Site Location & Description

- 12504 /12512 E. Whittier Blvd., Whittier, CA
- Approximately 40,000 sq. Ft. in area
- Two buildings and paved service yard



Site Location

Site History and Use

1976 to 1991 - Omega Chemical Corporation and Omega Refrigerant Reclamation Co.

- Operated as a used solvent and refrigerant recycling and reformulation/treatment facility
- Primarily handled chlorinated solvents such as degreasing and dry cleaning chemicals & refrigerants

Site Contaminants

- Primarily volatile organic compounds (VOCs) including tetrachloroethene (PCE), trichloroethene (TCE), freon 11, freon 113, 1-4 dioxane
- Semivolatile organic compounds (SVOCs) including aromatic hydrocarbons such as benzene, toluene, and acetone
- Metals including hexavalent chromium
- Inorganic compounds including perchlorate

Previous Site Investigations

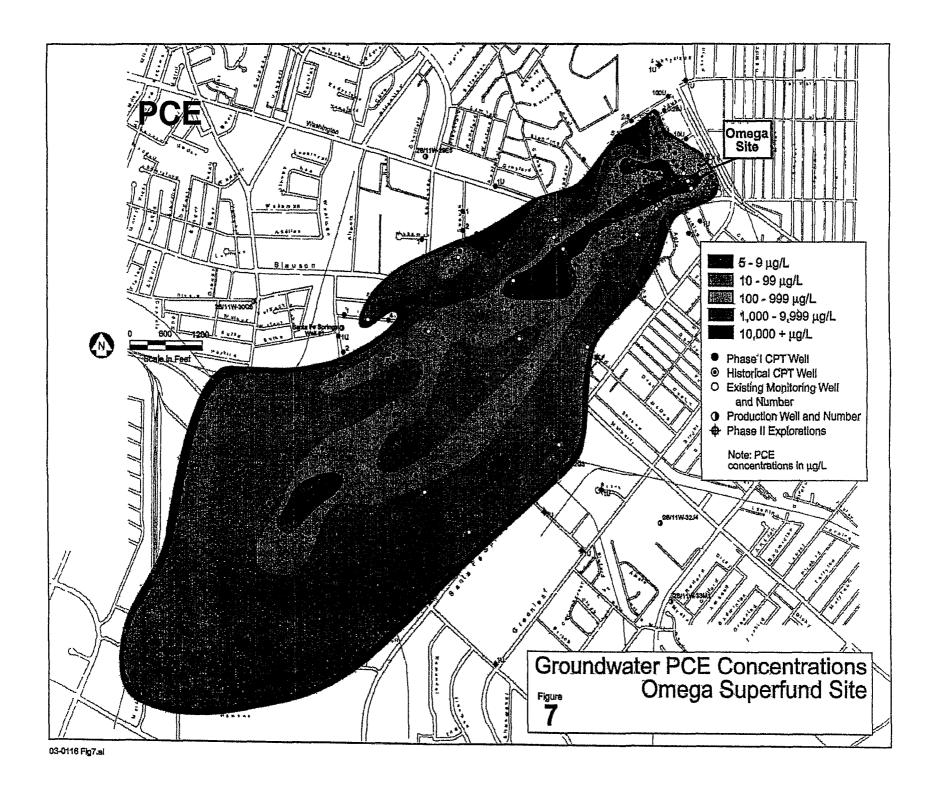
- 1984-1988 series of violations issued to Omega from L.A. County Dept. of Health Services
 - Soil, soil-gas, and groundwater sampling conducted in several phases
- 1995 EPA issued Unilateral Administrative Order (UAO) to major parties
 - Required removal of more than 2,700 drums of chemical materials stored on-site & removal of grossly contaminated soil
 - These parties formed a work group called the Omega Organized PRP Group (OPOG)

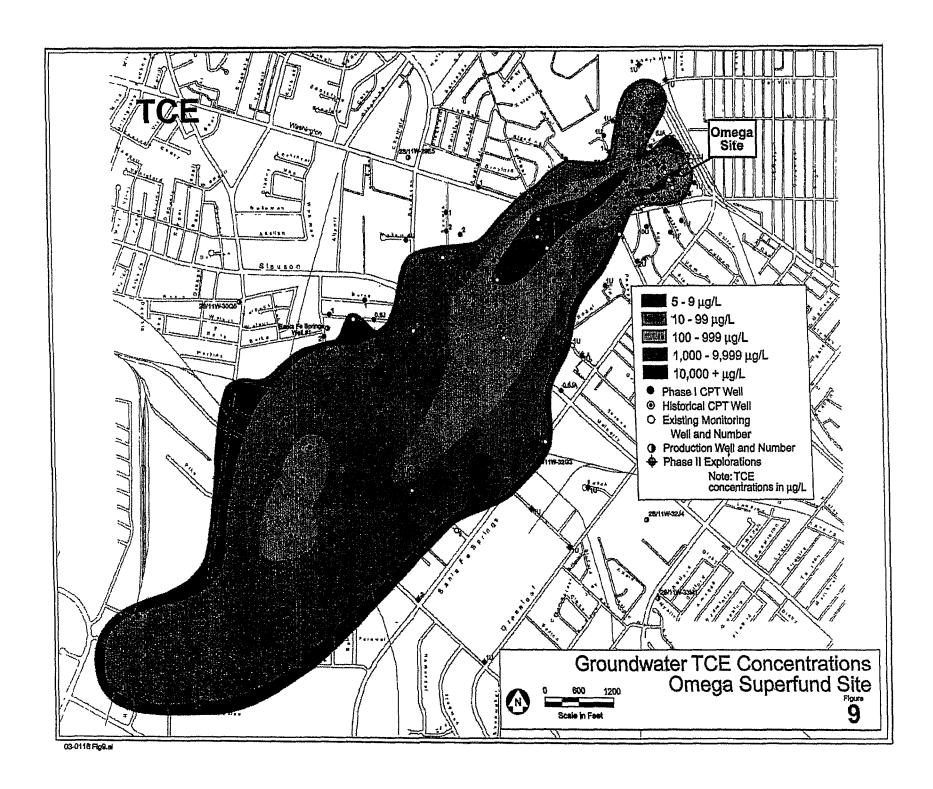
Partial Consent Decree

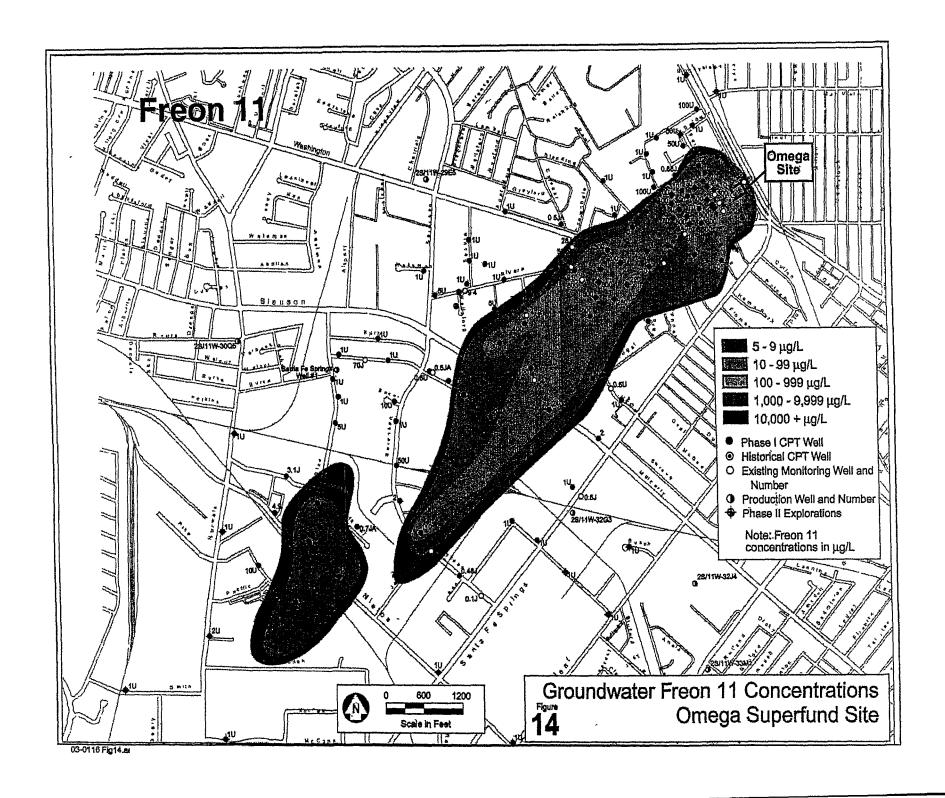
- February 2001 EPA signs Partial Consent Decree with OPOG
- Partial Consent Decree requires:
 - On-site soils Remedial Investigation/Feasibility Study (RI/FS)
 - Installation & sampling of groundwater monitoring wells and continue groundwater investigation near Omega facility
 - Design and implement groundwater containment and contaminant mass removal system (pump & treat)

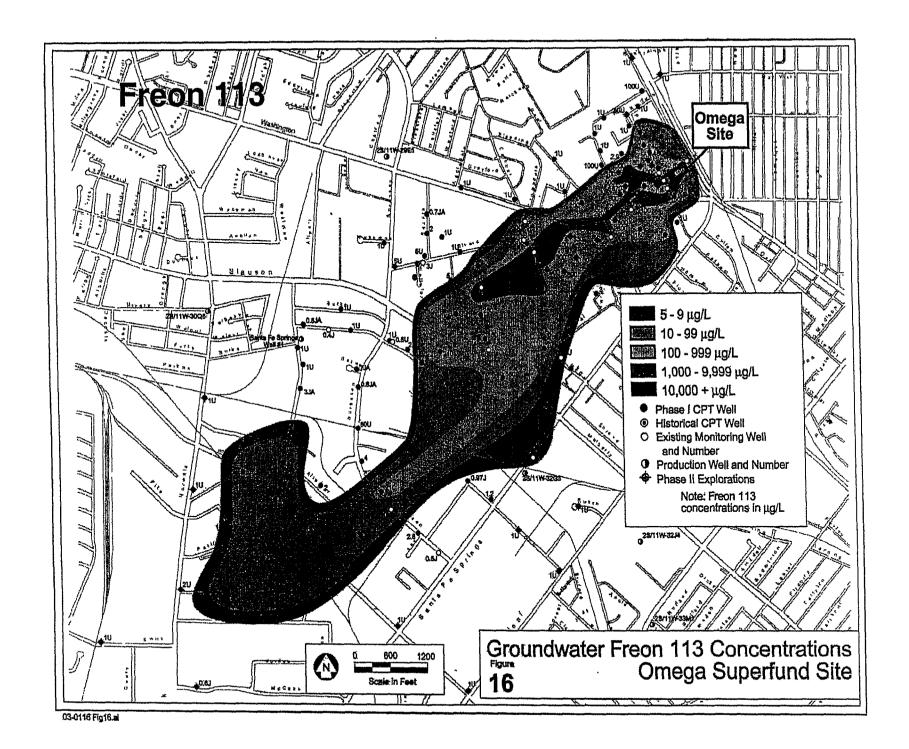
EPA Phase I & II Investigations

- Groundwater sampling from 114 borings completed in November 2001 and August 2002, focused on areas downgradient of site
- Installed 18 groundwater monitoring wells in February 2002 and sampled them









Required Steps in Omega Site Investigation

- Remedial Investigation:
 - Characterization of the groundwater (sampling)
 - PRP search for additional potential sources
 - Groundwater modeling
 - Human health risk assessment
- Interim pump & treat system
- Feasibility Study (FS)
- Record of Decision (ROD)
- Remedial Design/Remedial Action (RD/RA)

Elements of Assumed Remedy

- Groundwater extraction and treatment for estimated volume of 4.9 billion gallons of contaminated groundwater. Assumed operation and maintenance period of thirty years.
- Soil vapor extraction (SVE) at source area. Assumed operation and maintenance period of 3 years.
- Groundwater extraction and treatment and SVE are EPA presumptive remedies for VOC contamination.
- Costs estimated using unit costs and averaging costs of other sites with similar technologies and contaminants.

Estimated Site Costs

Costs Associated with Work to Date:

- PRP costs
 - Removal costs
 - Soils RI/FS costs
 - Groundwater monitoring costs

- EPA costs
 - EPA oversight
 - Indirect
 - Investigations
 - Misc costs

Estimated Past Cost = \$12,300,000

Estimated Site Costs

Future costs

- RI/FS
- ROD costs
- Remedial Design / Remedial Action / O&M
- EPA and State oversight, indirect, investigations and misc costs

Estimated Future Cost = \$89,200,000

Estimated RD/RA Costs

Groundwater Treatment Capital Costs =	\$24,800,000
Soil Treatment Capital Costs =	\$2,200,000
Groundwater Treatment Operation and Maintenance Costs (30 year period) =	\$51,000,000
Soil Treatment Operation and Maintenance Costs (3 year period) =	\$1,500,000
Land Acquisition =	\$500,000
Total =	\$80,000,000



Potentially Responsible Parties (PRP) Identification Process

Liable Parties Under Superfund

CERCLA § 107(a), 42 U.S.C. § 9607(a)

- 1. Current owners/operators
- 2. Owners/operators at the time of disposal
- 3. Generators or arrangers for the disposal of hazardous substances
- 4. Transporters

Liable Parties at the Omega Superfund Site

Currently identified:

- 1. Owner/operator at time of disposal -- Dennis O'Meara, Omega Chemical
- 2. Major generators that sent at least 10 tons of waste to Omega Chemical
- 3. De Minimis generators that sent at least 3 tons of waste to Omega Chemical

Summary of Enforcement Timeline To Date:

- * Dennis O'Meara received a general notice from EPA for removal activity
 - * Dennis O'Meara refused to cooperate claiming inability to pay
 - * EPA issued an order (Unilateral Administrative Order 95-15) to approximately 170 generator PRP's for the removal activity
 - * Ultimately, ~ 150 viable parties performed the cleanup

Enforcement Timeline (Cont.)

- * By 1998 a steering committee of parties had formed (the Omega PRP Organized Group, "OPOG")
- 1998 * EPA began work to identify additional generator parties

Enforcement Timeline (Cont.)

April 1, 1999

* Special notice letters were issued to members of OPOG, and negotiations commenced

February 28, 2001

* Partial Consent Decree entered by the district court (docket # 00-12741-TJH)

August 8, 2002

* Over 100 general notice letters were issued to additional major parties

October 28, 2003

* Approximately 315 de minimis notice letters issued to PRPs allocated 3-9.99 tons

January 5, 2004

* EPA issued an Order (Unilateral Administrative Order 2004-04) to approximately 20 major PRPs to perform work at the site

"State's Manifest Database"

- Copies of Hazardous Waste Manifests are archived with the State of California's Department of Toxic Substances Control Office
- State Database = "Hazardous Waste Information Network" (Haznet)
- Information from the manifests is entered into a database maintained by the State (~1 million/year)

Database (cont.)

- EPA requested a copy of database in 1995
- Requested subset of manifest data where the Omega facility ID "CAD042245001" was listed as the Treatment Storage and Disposal (TSD) Facility ID

Example Manifest Summary

generator_name

lc_name:

lc_calc_volume:

4.77

tons

	io_oaio_voiaiiio.	T.11 WIIS
•	manifest_number	manifest_quantity_ton
	87804525	1.18845 tons
	88681570	0.3753 tons
	88684780	2.8686 tons
	88684816	0.33765 tons

Sample Manifest

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Potential Database Inconsistencies

- Total volumes didn't correspond to "container types" and "units"
- Facility ID numbers didn't correspond to a generator name or the wrong generator name
- Manifests inaccurately reflected "0" volume

Omega Site - Allocation

"Snapshot" as of February 5, 2004

	Volume Range	#PRPs	Tons	Tons (%)
Major	> = 10 tons	225	13,361	72%
De Minimis	> = 3 and < 10 tons	316	1,735	10%
Subtotal		541	15,096	82%
Other *		2,282	3,330	18%
Total Site		2,823	18,426	100%

^{*} All unknown parties, parties less than 3 tons and defunct and insolvent parties

DRAFT: the numbers in this table are subject to change pending final PRP grouping and AVR research results.

Legal Issues

CERCLA Liability Scheme

Comprehensive Environmental Response Compensation and Liability Act ("CERCLA")

42 U.S.C. Section 9601, et seq.

Liability Scheme

- Joint and Several
- Retroactive
- Strict

Liable Parties

CERCLA § 107(a), 42 U.S.C. Section 9607(a)

- 1. Owners / Operators
- 2. Owners / Operators during the Time of Disposal
- 3. Generators or Arrangers for the Disposal of Hazardous Substances
- 4. Transporters

Categories of "Generators"

- Major Contributors
- De minimis
- De micromis

OPOG Partial Consent Decree

- Statute of Limitations
 - OPOG ability to sue other parties for reimbursement of cost expires before March, 2004.
- Lawsuit
 - To preserve their claims, OPOG plans to sue all other parties, including de minimis parties, before the Statute of Limitations timeframe expires.
- Tolling Agreement
 - EPA asked OPOG to accept Tolling Agreements from de minimis parties, extending Statute of Limitation timeframe, so that de minimis parties may settle all liabilities outside of litigation.

De Minimis Settlements

- "Final Settlement" - Release of liability "Cash Out" Payment
- Parties who sent:
 - Minimal amount of Hazardous Substances to the site.
 and
 - 2. Hazardous Substances not more toxic than other hazardous substances at site.
- CERCLA Section 122(g)

Scope of Settlement

- De Minimis Party gets:
 - Covenant not to sue - EPA promises not to sue you for work or money at the Omega Site
 - Contribution Protection - If any other party sues you for work or money at Omega Site, EPA will defend you in court

Form of De Minimis Settlement Administrative Order on Consent ("AOC")

- An agreement between your company & EPA
- In settlement package
- Language is not negotiable
- Thirty day Notice and Comment Period
- EPA notices you at close of Notice and Comment Period that agreement is final
- Payment due thirty day after EPA notices you

De Minimis Party Obligations

- Return executed signature page of the settlement to EPA by May 7, 2004
- Pay EPA your allocated settlement amount within thirty days after the settlement is final

Ability to Pay Settlement

- Person who demonstrate an "inability or limited ability"
- An amount able to pay while maintaining "basic business operation"
- To apply, return the Ability to Pay Application to EPA by May 7, 2004
- CERCLA §122(g)(7)

Calculations

Future Costs \$89,200,000

Premium of 100% X 2

\$178,400,000

Past Costs + \$12,300,000

Total Site Costs \$190,700,000

Your Allocated Share

Total Site Costs (\$190,700,000)

Total Tons of Waste at Site (15,096)

Multiply your allocated ton by \$12,632

Cost per ton

= \$12,632/Ton

Your Settlement Amount

Settle with EPA

- One payment for release of all liability for past and future costs at Omega
- EPA Promises to protect you if other PRPs at Omega sue you
- EPA promises not to sue you in the future

Settle with OPOG

- Settles your liability for OPOG's <u>past</u> costs, does not settle you liability for <u>future</u> costs
- OPOG will not protect you in court from EPA or other PRPs
- No promise to not sue you in the future

Next Steps

- Signature Page to EPA May 7, 2004
- Challenges (liability or volume) May 7, 2004

Only challenges submitted with signature pages will be reviewed. Challenges submitted prior to this date must be resubmitted.

- Ability to Pay Application May 7, 2004
- Expedited Settlement - 5%
 - Automatic discount if Signature page with no challenge is submitted by May 7, 2004
 - If signature page and challenge is submitted by May 7, 2004, you will receive the discount if EPA approves your challenge

EPA Contact Information

Omega Toll-Free Telephone Number - 1-888-635-1524

Omega E-Mail - omega@epa.gov

Internet Webpage - http://yosemite.epa.gov/r9/sfund/overview.nsf

Information Repositories

Whittier Public Library

7344 S. Washington Avenue Whittier, CA 90602 (562) 464-3450

EPA Superfund Records Center

95 Hawthorne Street (4th Floor) San Francisco, CA 94105 (415) 536-2000



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